

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: April 26-27, 2006

Reference No.: 2.8b.(1)
Action Item

From: CINDY McKIM
Chief Financial Officer

Prepared by: Terry Abbott
Division Chief
Local Assistance

Ref: **REQUEST TO EXTEND THE PERIOD OF PROJECT CONTRACT AWARD
PER RESOLUTION G-03-19, STATE TRANSPORTATION IMPROVEMENT
PROGRAM GUIDELINES
WAIVER-06-15**

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the extension requests for the time period identified for each project on the attached document.

ISSUE:

The Commission allocated \$3,419,868 for the construction of five projects, as shown on the attachment. The responsible agencies have been unable to award the contracts and do not anticipate awarding the contracts by the deadlines. The attachment shows the details of the projects and the explanation of the delays. The respective agencies request extensions, and the planning agencies concur.

BACKGROUND:

Resolution G-03-19, State Transportation Improvement Program Guidelines, adopted by the Commission on December 11, 2003, stipulates that funds allocated for the construction phase of local grant projects are available for contract award for a period of 12 months from the date of allocation. The Guidelines further stipulate that the Commission may approve a waiver to the contract award deadline one time only for up to 20 months in accordance with Section 14529.8 of the Government Code.

Attachment

**Time Extension/Waiver – Project Contract Award Deadline
Local Streets and Roads Projects**

Project #	Applicant County	Extension Amount By Component (\$ in thousands)	Allocation Date Resolution Number
	PPNO	E&P (Environmental & Permits)	Number of Months Requested
	Project Description	PS&E (Plans, Specifications and Estimates)	Extended Deadline
		R/W (Right of Way)	CT Recommendation
		CON (Construction)	
		TOTAL	
	Reason for Project Delay:		
1	U.S. Forest Service Plumas	\$0 \$0 \$0	04/14/2005 FP-04-45 20 months
	PPNO: 2-2394	\$226	12/14/2007
	Construct 1.5 Miles of Paved Trail	\$226	Support
	<p>The U.S. Forest Service was delayed in preparing a contract for this local Transportation Enhancement (TE) project due to conflicts in two of the federal contract clauses. Considerable time was spent modifying the contract in an attempt to reconcile the federal requirements for Federal-Aid clause, which includes the Disadvantaged Business Enterprise (DBE) requirements. In January 2006, The FHWA granted the U.S. Forest Service an exemption to the DBE requirements. This enabled the U.S. Forest Service to submit the Request for Authorization to Proceed with Construction in February 2006.</p> <p>The U.S. Forest Service is anticipating an additional 18-month delay as a result of recent changes to the Pacific Gas and Electric Company policies for granting easements on long-term agreements. Whereas the previous policy allowed the U.S. Forest Service to obtain an easement after construction, the new policy will not allow construction to proceed until after an easement has been obtained. It will take the U.S. Forest Service 18 months to obtain the easement.</p> <p>The U.S. Forest Service plans to advertise the project in October 2007 and anticipates awarding the contract in December 2007.</p>		
2	City of Richmond Contra Costa	\$0 \$0 \$0	05/13/2004 FP-03-48 18 months - Post Fact Request
	PPNO: 4-CC-030012	\$981	11/13/2006
	Red Oak Victory Ship Restoration	\$981	Support
	<p>Administration and supervision of this TE project is being done almost entirely by volunteers on the SS Red Oak Victory through the Richmond Museum Association, with the City of Richmond as the sponsoring agency. The Disadvantaged Business Enterprise (DBE) Plan was not submitted until March 2, 2006, which delayed approval of the Request for Authorization (E76). This has been addressed, and the City anticipates final approval of the DBE Plan in May 2006. The Agency is ready to advertise and award the contract as soon as the DBE is approved.</p>		
3	City of Tehachapi Kern	\$0 \$0 \$0	05/26/05 FP-05-28 6 months
	PPNO: 9-E012A	\$1,179	11/26/2006
	Downtown Streetscape and Pedestrian Enhancements	\$1,179	Support
	<p>The City of Tehachapi was delayed in awarding a contract for this local TE project due to having received only one bid, which exceeded the cost estimates. Prior to bidding, the cost estimates for this project placed the value at between \$2.1 million and \$2.7 million. The City of Tehachapi put the project out to bid in December 2005, with bid opening on February 7, 2006. The City staff received only one bid in the amount of \$3,682,680. The City will modify and re-bid the project in April 2006. The City currently anticipates awarding the bid by May 2006. However, new DBE guidelines may be issued on May 1, 2006. If new guidelines are issued, projects bid after the issue date will be subject to the new guidelines. To account for the time required for the re-bidding process and to allow for any delays stemming from the revised DBE guidelines, the City is requesting an extension to November 2006.</p>		

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		CON (Construction)	
		TOTAL	
	Reason for Project Delay:		
4	City of Los Angeles	\$0	04/14/2005
	Los Angeles	\$0	FP-04-45
		\$0	12 months
	PPNO: 7-3170	\$292	04/14/2007
	Angels Flight Railway Plaza Improvement Project	\$292	Support
<p>There was a delay in obtaining approval for the grading plan for this RIP TE project. The City of Los Angeles focused on grading issues as a result of slide activity in the Orange County community of Laguna Hills. The City of Los Angeles required a grading permit to be obtained for the project, which necessitated corrections to the grading plan. The proposed stairs could not be incorporated until the grading plan was approved, which occurred in July 1, 2005. The completed drawings for the stairs, required for an approved Soils Engineer Report, were received in October 2006. The preliminary plan check identified concerns regarding access for the disabled. Due to site accessibility constraints, the original proposal included stairs without providing for equivalent access to the disabled population. The agency had to go through the process of obtaining a waiver by demonstrating that the project did provide a trail from the top to a platform above the stairs. The delays coincided with rising materials costs; thus, additional design modifications are required to address cost considerations. The City currently anticipates awarding a contract by October 2006. The City is requesting a 12-month extension to allow for any additional delays that may occur.</p>			
5	City of Redondo Beach	\$0	05/26/2005
	Los Angeles	\$0	FP-04-56
		\$0	10 months
	PPNO: 7-3426	\$742	03/24/07
	Bay Cities Regional Bikeway	\$742	Support
<p>The City of Redondo Beach originally planned to award this local TE project in May 2005. However, there was a delay when a newly elected public official requested additional input from constituents and required the City to obtain additional community consensus. Community consensus has been achieved, and the City is ready to proceed with the project. The City currently expects to advertise the project in July 2006, and anticipates awarding the contract in August 2006.</p>			